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ALBANY, NY

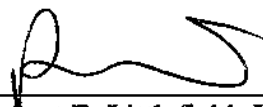
**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

In re:

HIGHGATE LTC MANAGEMENT LLC,

Debtor.

So ordered this 24th day of December 2008


Hon. Robert E. Littlefield, Jr.
U.S.B.J.

Chapter 11

Case No. 07-11068-REL

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DEC 23 2008

**BANKRUPTCY JUDGE
ALBANY, NEW YORK**

**STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE
DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; and (B) Use Cash Collateral on a Consensual Basis and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, Rensselaer County,

dated November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to a prior Stipulation and Order of this Court dated November 19, 2008 the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors, and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (the "Transition Stipulation"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulation; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read January 31, 2009.
2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.
3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the

Budget attached hereto as *Exhibit A*. The Budget may be amended, at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee, and the Unsecured Creditors Committee.

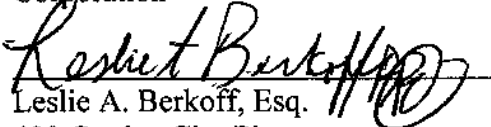
4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for January 21, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: December 2, 2008

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

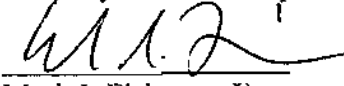
By:


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516-873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

By:

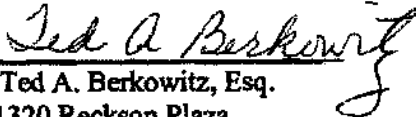

Mark I. Fishman, Esq.
195 Church Street
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Phone: (203) 821-2000

-and-

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:



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Uniondale, New York 11556-1320
Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:


Abraham J. Backenroth, Esq.
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New York, New York 10017
Tel: 212-593-1100

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STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER
AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY
AND (B) USE CASH COLLATERAL ON A CONSENSUAL
BASIS AND CERTAIN RELATED DEADLINES

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:

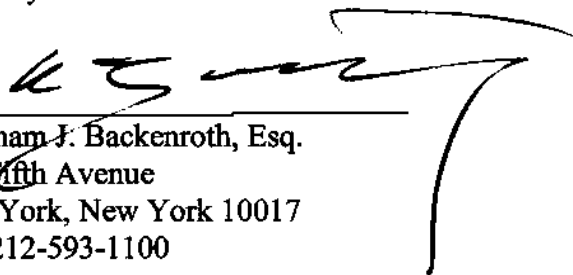
Ted A. Berkowitz, Esq.
1320 Reckson Plaza
Uniondale, New York 11556-1320
Tel: 516-227-0647

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BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:



Abraham J. Backenroth, Esq.
489 Fifth Avenue
New York, New York 10017
Tel: 212-593-1100

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	January Totals
Projected Cash Flows	w/e Friday	Balance 01/02/09	Balance 01/09/09	Balance 01/16/09	Balance 01/23/09	Balance 01/30/09	
Beginning Cash Book Balance		(250,843)	(452,821)	(276,257)	(67,756)	(130,256)	(250,843)
Collections							
General Deposits		75,000	250,000	225,000	160,000	160,000	870,000
Medicaid Deposits		271,833	477,129	445,101	426,000	426,000	2,046,063
Medicare Deposits		35,000	30,000	35,000	210,000	45,000	355,000
Total Collections		381,833	757,129	705,101	796,000	631,000	3,271,063
Cash Available for Disbursements		130,989	304,308	428,844	728,244	500,744	3,020,219
Disbursements				Projected			
General Disbursements		30,000	30,000	30,000	30,000	30,000	150,000
Pharmacy		55,000	-	-	-	-	55,000
Net Payroll		344,445	322,000	322,000	322,000	322,000	1,632,445
Payroll Taxes		149,864	136,000	136,000	136,000	136,000	693,864
401(k) Funding		4,500	4,500	4,500	4,500	4,500	22,500
Other Employee Benefits		-	-	-	150,000	-	150,000
Worker's Compensation Premiums		-	-	-	46,000	-	46,000
Insurance Premiums		-	7,565	-	65,000	-	72,565
UST Fee		-	-	-	5,000	-	5,000
Receiver Fee		-	-	-	10,000	-	10,000
Bank Line Interest/Bank Fees		-	-	4,100	-	-	4,100
Utilities		-	25,000	-	50,000	-	75,000
Physicians		-	40,000	-	40,000	-	80,000
Loan/Lease		-	15,500	-	-	-	15,500
Real Estate Taxes		-	-	-	-	-	-
Professional/Receiver		-	-	-	-	-	-
Professional/Trustee		-	-	-	-	15,000	15,000
Professional/Committee		-	-	-	-	15,000	15,000
Prior Professional		-	-	-	-	-	-
Cash receipts assessment		-	-	-	-	-	-
Total Disbursements		583,810	580,565	496,600	858,500	522,500	3,041,975
Ending Cash Balance		(452,821)	(276,257)	(67,756)	(130,256)	(21,756)	(21,756)

Highgate LTC Management LLC		w/e Friday				January Totals	
Projected Cash Flows		Projected Balance 01/02/09	Projected Balance 01/09/09	Projected Balance 01/16/09	Projected Balance 01/23/09	Projected Balance 01/30/09	
Beginning Cash Book Balance		(250,843)	(452,821)	(276,257)	(67,756)	(130,256)	(250,843)
Collections							
General Deposits	75,000	250,000	225,000	160,000	160,000	160,000	870,000
Medicaid Deposits	271,833	477,129	445,101	426,000	426,000	426,000	2,046,063
Medicare Deposits	35,000	30,000	35,000	210,000	45,000	45,000	355,000
Total Collections	381,833	757,129	705,101	796,000	631,000	631,000	3,271,063
Cash Available for Disbursements		130,989	304,308	428,844	728,244	500,744	3,020,219
Disbursements				Projected			
General Disbursements	30,000	30,000	30,000	30,000	30,000	30,000	150,000
Pharmacy	55,000	-	-	-	-	-	55,000
Net Payroll	344,445	322,000	322,000	322,000	322,000	322,000	1,632,445
Payroll Taxes	149,864	136,000	136,000	136,000	136,000	136,000	693,864
401(k) Funding	4,500	4,500	4,500	4,500	4,500	4,500	22,500
Other Employee Benefits	-	-	-	150,000	-	-	150,000
Worker's Compensation Premiums	-	-	-	46,000	-	-	46,000
Insurance Premiums	-	7,565	-	65,000	-	-	72,565
UST Fee	-	-	-	5,000	-	-	5,000
Receiver Fee	-	-	-	10,000	-	-	10,000
Bank Line Interest/Bank Fees	-	-	4,100	-	-	-	4,100
Utilities	-	25,000	-	50,000	-	-	75,000
Physicians	-	40,000	-	40,000	-	-	80,000
Loan/Lease	-	15,500	-	-	-	-	15,500
Real Estate Taxes	-	-	-	-	-	-	-
Professional/Receiver	-	-	-	-	-	-	-
Professional/Trustee	-	-	-	-	-	15,000	15,000
Professional/Committee	-	-	-	-	-	15,000	15,000
Prior Professional	-	-	-	-	-	-	-
Cash receipts assessment	-	-	-	-	-	-	-
Total Disbursements	583,810	580,565	496,600	858,500	522,500	522,500	3,041,975
Ending Cash Balance	(452,821)	(276,257)	(67,756)	(130,256)	(21,756)	(21,756)	(21,756)



**Moritt Hock
Hamroff & Horowitz** LLP
ATTORNEYS AT LAW

RUSH

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DEC 23 2008

**BANKRUPTCY JUDGE
ALBANY, NEW YORK**

December 22, 2008

Leslie A. Berkoff, Esq.
Partner
Email: lberkoff@morithock.com

DEC 23 11:18 AM

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VIA FEDERAL EXPRESS

Susan Skinner
U.S. Bankruptcy Court
Northern District of New York
James T. Foley U.S. Courthouse
445 Broadway, Suite 315
Albany, NY 12207

**Re: Highgate LTC Management, LLC (collectively the "Debtors")
Case No. 07-11068**

Dear Ms. Skinner:

Enclosed herewith please find an executed Stipulation and Order Modifying And Extending The Terms of the Final Order Authorizing the Debtors To: (A) Borrow Money and (B) Use Cash Collateral On A Consensual Basis and Certain Related Deadlines in connection with the above-referenced matter.


We would ask that His Honor So Order the Stipulation and have the same docketed by a member of his staff.

If you have any questions, please do not hesitate to contact the undersigned. Thank you for your courtesies in this matter.

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DEC 24 2008

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY
LAB:gnl
Encl.

Very truly yours,
Leslie A. Berkoff 
LESLIE BERKOFF

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So ordered this 20 day of January 2009


Hon. Robert E. Littlefield, Jr.
U.S.B.J.

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JAN 21 2009
OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

-----X

In re:

Chapter 11

HIGHGATE LTC MANAGEMENT LLC,

Case No. 07-11068-REL

Debtor.

-----X

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JAN 22 2009
OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

**STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE
DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; and (B) Use Cash Collateral on a Consensual Basis and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, Rensselaer County,

dated November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to two prior Stipulations and Order of this Court dated November 19, 2008 and December 24, 2008 the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors, and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (collectively the "Prior Stipulations"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulations; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read February 28, 2009.
2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee, and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for February 25, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: January __, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

By: _____


Leslie A. Berkoff, Esq.
400 Garden City Plaza
Garden City, NY 11530
516-873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

By: _____

Mark I. Fishman, Esq.
195 Church Street
New Haven, CT 06510
Phone: (203) 821-2000

-and-

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee, and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for February 25, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: January 19, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

By: _____

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-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

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FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:



Ted A. Berkowitz, Esq.

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Uniondale, New York 11556-1320

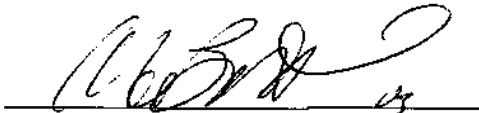
Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:



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New York, New York 10017

Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B)
USE CASH COLLATERAL ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

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Highgate LTC Management LLC	Projected	Projected	Projected	Projected	Projected	February
Projected Cash Flows	Balance	Balance	Balance	Balance	Balance	Totals
w/e Friday	02/06/09	02/13/09	02/20/09	02/27/09		
Beginning Cash Book Balance	(245,249)	(223,475)	(90,519)	124,023	-	(245,249)
Collections						
General Deposits	75,000	250,000	225,000	160,000	-	710,000
Medicaid Deposits	418,435	450,000	455,000	430,000	-	1,753,435
Medicare Deposits	35,000	30,000	35,000	210,000	-	310,000
Total Collections	528,435	730,000	715,000	800,000	-	2,773,435
Cash Available for Disbursements	283,186	506,525	624,481	924,023	-	2,528,186
Disbursements			Projected			
General Disbursements	45,000	55,000	35,000	60,000	-	195,000
Pharmacy	-	-	-	-	-	-
Net Payroll	315,000	315,000	315,000	315,000	-	1,260,000
Payroll Taxes	142,000	142,000	142,000	142,000	-	568,000
401(k) Funding	4,661	4,544	4,359	4,500	-	18,063
Other Employee Benefits	-	-	-	150,000	-	150,000
Worker's Compensation Premiums	-	-	-	46,000	-	46,000
Insurance Premiums	-	-	-	65,000	-	65,000
UST Fee	-	-	-	5,000	-	5,000
Receiver Fee	-	-	-	10,000	-	10,000
Bank Line Interest/Bank Fees	-	-	4,100	-	-	4,100
Utilities	-	25,000	-	50,000	-	75,000
Physicians	-	40,000	-	40,000	-	80,000
Loan/Lease	-	15,500	-	-	-	15,500
Real Estate Taxes	-	-	-	-	-	-
Professional/Receiver	-	-	-	-	-	-
Professional/Trustee	-	-	-	15,000	-	15,000
Professional/Committee	-	-	-	15,000	-	15,000
Prior Professional	-	-	-	-	-	-
Cash receipts assessment	-	-	-	20,000	-	20,000
Total Disbursements	506,661	597,044	500,459	937,500	-	2,541,663
Ending Cash Balance	(223,475)	(90,519)	124,023	(13,477)	-	(13,477)

Highgate LTC Management LLC Projected Cash Flows	Projected Balance 01/02/09	Projected Balance 01/09/09	Projected Balance 01/16/09	Projected Balance 01/23/09	Projected Balance 01/30/09	January Totals
w/e Friday						
Beginning Cash Book Balance	(250,843)	(417,624)	(293,874)	(134,060)	(187,527)	(250,843)
Collections						
General Deposits	75,000	250,000	225,000	160,000	160,000	870,000
Medicaid Deposits	271,833	477,129	471,877	435,033	259,778	1,915,649
Medicare Deposits	35,000	30,000	35,000	210,000	45,000	355,000
Total Collections	381,833	757,129	731,877	805,033	464,778	3,140,649
Cash Available for Disbursements	130,989	339,505	438,002	670,973	277,251	2,889,806
Disbursements			Projected			
General Disbursements	30,000	30,000	30,000	30,000	30,000	150,000
Pharmacy	19,000	-	-	-	-	19,000
Net Payroll	337,795	346,716	309,793	322,000	322,000	1,638,305
Payroll Taxes	157,157	164,054	146,530	136,000	136,000	739,742
401(k) Funding	4,661	4,544	4,359	4,500	4,500	22,563
Other Employee Benefits	-	-	-	150,000	-	150,000
Worker's Compensation Premiums	-	-	-	46,000	-	46,000
Insurance Premiums	-	7,565	-	65,000	-	72,565
UST Fee	-	-	-	5,000	-	5,000
Receiver Fee	-	-	-	10,000	-	10,000
Bank Line Interest/Bank Fees	-	-	4,100	-	-	4,100
Utilities	-	25,000	-	50,000	-	75,000
Physicians	-	40,000	-	40,000	-	80,000
Loan/Lease	-	15,500	-	-	-	15,500
Real Estate Taxes	-	-	-	-	-	-
Professional/Receiver	-	-	-	-	-	-
Professional/Trustee	-	-	-	-	15,000	15,000
Professional/Committee	-	-	-	-	15,000	15,000
Prior Professional	-	-	-	-	-	-
Cash receipts assessment	-	-	77,280	-	-	77,280
Total Disbursements	548,613	633,379	572,062	858,500	522,500	3,135,055
Ending Cash Balance	(417,624)	(293,874)	(134,060)	(187,527)	(245,249)	(245,249)

Highgate LTC Management LLC	Projected	Projected	Projected	Projected	Projected	December
Projected Cash Flows	Balance	Balance	Balance	Balance	Balance	Totals
w/e Friday	12/05/08	12/12/08	12/19/08	12/26/08		
Beginning Cash Book Balance	(133,620)	(308,405)	(283,885)	(159,757)	(210,843)	(133,620)
Collections						
General Deposits	75,000	250,000	225,000	160,000		710,000
Medicaid Deposits	329,046	403,997	445,101	413,130		1,591,273
Medicare Deposits	25,000	25,000	25,000	299,783		374,783
Total Collections	429,046	678,997	695,101	872,913	-	2,676,056
Cash Available for Disbursements	295,426	370,592	411,216	713,157	(210,843)	2,542,437
Disbursements			Projected			
General Disbursements	50,000	50,000	50,000	50,000		200,000
Pharmacy	55,000	55,000	55,000	55,000		220,000
Net Payroll	344,445	321,789	321,575	322,000		1,309,809
Payroll Taxes	149,864	135,538	135,914	136,000		557,316
401(k) Funding	4,521	4,085	4,084	5,000		17,690
Other Employee Benefits	-	-	-	150,000		150,000
Worker's Compensation Premiums	-	-	-	46,000		46,000
Insurance Premiums	-	7,565	-	65,000		72,565
UST Fee	-	-	-	5,000		5,000
Receiver Fee	-	-	-	-	10,000	10,000
Bank Line Interest/Bank Fees	-	-	4,400	-		4,400
Utilities	-	25,000	-	50,000		75,000
Physicians	-	40,000	-	40,000		80,000
Loan/Lease	-	15,500	-	-		15,500
Real Estate Taxes	-	-	-	-		-
Professional/Receiver	-	-	-	-		-
Professional/Trustee	-	-	-	-	15,000	15,000
Professional/Committee	-	-	-	-	15,000	15,000
Prior Professional	-	-	-	-		-
Cash receipts assessment	-	-	-	-	-	-
Total Disbursements	603,831	654,477	570,973	924,000	40,000	2,793,280
Ending Cash Balance	(308,405)	(283,885)	(159,757)	(210,843)	(250,843)	(250,843)



**Moritt Hock
Hamroff & Horowitz** LLP
ATTORNEYS AT LAW

RUSH

RECEIVED

JAN 21 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

Leslie A. Berkoff, Esq.
Partner
Email: lberkoff@morithock.com

January 20, 2009

VIA FEDERAL EXPRESS

Susan Skinner
U.S. Bankruptcy Court
Northern District of New York
James T. Foley U.S. Courthouse
445 Broadway, Suite 315
Albany, NY 12207

**Re: Highgate LTC Management, LLC (collectively the "Debtors")
Case No. 07-11068**

Dear Ms. Skinner:

Enclosed herewith please find an executed Stipulation and Order Modifying And Extending The Terms of the Final Order Authorizing the Debtors To: (A) Borrow Money and (B) Use Cash Collateral On A Consensual Basis and Certain Related Deadlines in connection with the above-referenced matter.

We would ask that His Honor So Order the Stipulation and have the same docketed by a member of his staff.

If you have any questions, please do not hesitate to contact the undersigned. Thank you for your courtesies in this matter.

RECEIVED & FILED

JAN 22 2009

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY
LAB:gm
Encl.

Very truly yours,

LESLIE BERKOFF

F:\GECC\Highgate\Bankruptcy\Corres\Court Transition CC Stip 3.Doc


RECEIVED

FEB 27 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

So ordered this ~~27~~ day of February 2009

MAR - 2 2009


Hon. Robert E. Littlefield, Jr.
Chief, U.S.B.J.

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

-----X

In re:

HIGHGATE LTC MANAGEMENT LLC,

Debtor.

-----X

Chapter 11

Case No. 07-11068-REL

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MAR 2 2009

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

**STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE
DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; and (B) Use Cash Collateral on a Consensual Basis and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, Rensselaer County,

dated November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to three prior Stipulations and Order of this Court dated November 19, 2008, December 24, 2008 and January 22, 2009, the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors, and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (collectively, the "Prior Stipulations"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the continued right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulations; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read April 29, 2009.

2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for ~~April~~ ^{April 29} 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: February __, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

By: _____

Leslie A. Berkoff, Esq.
400 Garden City Plaza
Garden City, NY 11530
516-873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

By: _____

Mark I. Fishman, Esq.
195 Church Street
New Haven, CT 06510
Phone: (203) 821-2000

-and-

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:

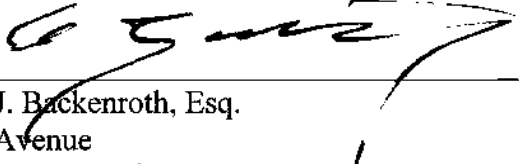
Ted A. Berkowitz, Esq.
1320 Reckson Plaza
Uniondale, New York 11556-1320
Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:



Abraham J. Backenroth, Esq.
489 Fifth Avenue
New York, New York 10017
Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B)
USE CASH COLLATERAL ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	March Totals
Projected Cash Flows	w/e Friday	Balance 03/06/08	Balance 03/13/08	Balance 03/20/08	Balance 03/27/08		
Beginning Cash Book Balance		43,500	849	(92,747)	(216,423)		43,500
Collections							
General Deposits		232,033	260,339	188,000	192,000		872,372
Medicaid Deposits		280,852	385,312	435,000	421,000		1,522,164
Medicare Deposits		-	-	-	410,000		410,000
Total Collections		512,885	645,651	623,000	1,023,000		2,804,536
Cash Available for Disbursements		556,385	646,500	530,253	806,577		2,848,036
Disbursements					Projected		
General Disbursements		75,000	121,000	75,000	50,000		321,000
Pharmacy		-	-	126,381	-		126,381
Net Payroll		309,396	309,396	309,396	309,396		1,237,584
Payroll Taxes		141,558	141,558	141,558	141,558		566,232
401(k) Funding		4,582	4,293	4,339	4,355		17,569
Other Employee Benefits		-	-	-	148,000		148,000
Worker's Compensation Premiums		-	-	-	63,495		63,495
Insurance Premiums		-	-	35,260	-		35,260
UST Fee		-	-	-	10,400		10,400
Receiver Fee		-	-	-	-		-
Bank Line Interest/Bank Fees		-	-	-	-		-
Utilities		25,000	-	49,850	-		74,850
Physicians		-	25,000	-	50,000		75,000
Loan/Lease		-	-	4,893	-		4,893
Real Estate Taxes		-	-	-	-		-
Professional/Receiver		-	-	-	-		-
Professional/Trustee		-	-	-	15,000		15,000
Professional/Committee		-	-	-	15,000		15,000
Prior Professional		-	-	-	-		-
Cash receipts assessment		-	138,000	-	-		138,000
Total Disbursements		555,536	739,247	746,676	807,205		2,848,664
Ending Cash Balance		849	(92,747)	(216,423)	(628)		(628)
Monthly Net Cash		(42,651)	(93,596)	(123,676)	215,795		(44,128)

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	April Totals
Projected Cash Flows	w/e Friday	Balance 04/03/08	Balance 04/10/08	Balance 04/17/08	Balance 04/24/08		
Beginning Cash Book Balance		(24,128)	(35,164)	(118,411)	(239,237)		(24,128)
Collections							
General Deposits		252,000	273,000	188,000	192,000		905,000
Medicaid Deposits		293,000	391,000	438,000	425,000		1,547,000
Medicare Deposits		-	-	-	390,000		390,000
Total Collections		545,000	664,000	626,000	1,007,000		2,842,000
Cash Available for Disbursements		520,872	628,836	507,589	767,763		2,817,872
Disbursements					Projected		
General Disbursements		75,500	126,000	78,000	55,000		334,500
Pharmacy		-	-	131,381	-		131,381
Net Payroll		309,396	309,396	309,396	309,396		1,237,584
Payroll Taxes		141,558	141,558	141,558	141,558		566,232
401(k) Funding		4,582	4,293	4,339	4,355		17,569
Other Employee Benefits		-	-	-	148,000		148,000
Worker's Compensation Premiums		-	-	-	63,495		63,495
Insurance Premiums		-	-	35,260	-		35,260
UST Fee		-	-	-	10,400		10,400
Receiver Fee		-	-	-	-		-
Bank Line Interest/Bank Fees		-	-	-	-		-
Utilities		25,000	-	42,000	-		67,000
Physicians		-	25,000	-	50,000		75,000
Loan/Lease		-	-	4,893	-		4,893
Real Estate Taxes		-	-	-	-		-
Professional/Receiver		-	-	-	-		-
Professional/Trustee		-	-	-	15,000		15,000
Professional/Committee		-	-	-	15,000		15,000
Prior Professional		-	-	-	-		-
Cash receipts assessment		-	141,000	-	-		141,000
Total Disbursements		556,036	747,247	746,826	812,205		2,862,314
Ending Cash Balance		(35,164)	(118,411)	(239,237)	(44,442)		(44,442)
Monthly Net Cash		(11,036)	(83,247)	(120,826)	194,795		(20,314)



Moritt Hock
Hamroff & Horowitz ^{LLP}
ATTORNEYS AT LAW

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FEB 27 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

Leslie A. Berkoff, Esq.
Partner
Admitted in NY & CT
Email: lberkoff@morithock.com

RUSH

February 26, 2009

VIA OVERNIGHT MAIL

Susan Skinner
U.S. Bankruptcy Court
Northern District of New York
James T. Foley U.S. Courthouse
445 Broadway, Suite 315
Albany, NY 12207

Re: Highgate LTC Management, LLC
Case No. 07-11068

RECEIVED & FILED

Dear Ms. Skinner:

MAR 2 2009

Enclosed herewith please find an original executed Stipulation and Order ^{OFFICE OF THE BANKRUPTCY CLERK} ~~Authorizing~~ ^{ALBANY, NY} Modifying and Extending the Terms of the Final Order Authorizing the Estate to: (A) Borrow Money and (B) Use Cash Collateral on a Consensual Basis in connection with the above-referenced matter.

We would ask that you present the Stipulation to His Honor so that he may So Order the Stipulation and have the same docketed by a member of his staff.

If you have any questions, please do not hesitate to contact the undersigned. Thank you for your courtesies in this matter.

Very truly yours,

LESLIE ANN BERKOFF

LAB:dm
Encl.

RECEIVED

APR 29 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

-----X


In re:

HIGHGATE LTC MANAGEMENT LLC,

Debtor.

-----X

So ordered this 29th day of April 2009



Hon. Robert E. Littlefield, Jr.
Chief, U.S.B.J.

Chapter 11

Case No. 07-11068-REL

**STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE
DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; and (B) Use Cash Collateral on a Consensual Basis and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, ~~Recessed as Clerk~~

RECEIVED & FILED

APR 29 2009

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

dated November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to four prior Stipulations and Order of this Court dated November 19, 2008, December 24, 2008, January 22, 2009 and March 2, 2009, the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors, and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (collectively, the "Prior Stipulations"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the continued right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulations; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read July 1, 2009.

2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for July 1, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: April 24, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

By: _____

Leslie A. Berkoff, Esq.
400 Garden City Plaza
Garden City, NY 11530
516-873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

By: _____

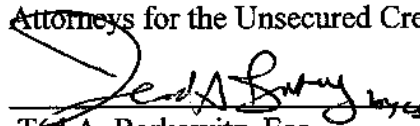
Mark I. Fishman, Esq.
195 Church Street
New Haven, CT 06510
Phone: (203) 821-2000

-and-

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:



Ted A. Berkowitz, Esq.

1320 Reckson Plaza

Uniondale, New York 11556-1320

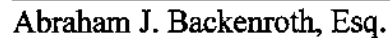
Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:



Abraham J. Backenroth, Esq.

489 Fifth Avenue

New York, New York 10017

Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B)
USE CASH COLLATERAL ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

-and-

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:

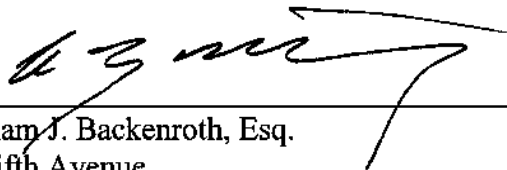
Ted A. Berkowitz, Esq.
1320 Reckson Plaza
Uniondale, New York 11556-1320
Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:



Abraham J. Backenroth, Esq.
489 Fifth Avenue
New York, New York 10017
Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B)
USE CASH COLLATERAL ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	Projected	Projected	May Totals
Projected Cash Flows		Balance	Balance	Balance	Balance	Balance	Balance	Balance	
w/e Friday		05/01/09	05/08/09	05/15/09	05/22/09	05/29/09			
Beginning Cash Book Balance		(314)	138,705	20,912	(221,418)	(36,769)		(314)	
Collections									
General Deposits		280,000	258,000	190,000	182,000	138,000		1,048,000	
Medicaid Deposits		445,601	391,000	438,000	425,000	458,000		2,157,601	
Medicare Deposits		-	-	-	410,000	-		410,000	
Total Collections		725,601	649,000	628,000	1,017,000	596,000		3,615,601	
Cash Available for Disbursements		725,287	787,705	648,912	795,582	559,231		3,516,717	
Disbursements					Projected				
General Disbursements		100,500	161,000	113,000	90,000	92,000		556,500	
Pharmacy		-	-	192,944	-	-		192,944	
Net Payroll		325,000	325,000	325,000	325,000	325,000		1,625,000	
Payroll Taxes		131,500	131,500	131,500	131,500	131,500		657,500	
401(k) Funding		4,582	4,293	4,339	4,355	4,400		21,969	
Other Employee Benefits		-	-	-	148,000	-		148,000	
Worker's Compensation Premiums		-	-	-	63,495	-		63,495	
Insurance Premiums		-	-	35,260	-	-		35,260	
UST Fee		-	-	-	5,000	-		5,000	
Receiver Fee		-	-	-	-	-		-	
Bank Line Interest/Bank Fees		-	-	-	-	-		-	
Utilities		25,000	-	63,396	-	-		88,396	
Physicians		-	25,000	-	35,000	-		60,000	
Loan/Lease		-	-	4,893	-	-		4,893	
Real Estate Taxes		-	-	-	-	-		-	
Professional/Receiver		-	-	-	-	-		-	
Professional/Trustee		-	-	-	15,000	-		15,000	
Professional/Committee		-	-	-	15,000	-		15,000	
Prior Professional		-	-	-	-	-		-	
Cash receipts assessment		-	120,000	-	-	-		120,000	
Total Disbursements		586,582	766,793	870,331	832,351	552,900		3,608,957	
Ending Cash Balance		138,705	20,912	(221,418)	(36,769)	6,331		(92,239)	
Monthly Net Cash		139,019	(117,793)	(242,331)	184,649	43,100		6,645	

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	June Totals
Projected Cash Flows	w/e Friday	Balance	Balance	Balance	Balance	Balance	
		06/05/09	06/12/09	06/19/09	06/26/09		
Beginning Cash Book Balance		16,245	99,764	(11,029)	(201,043)		16,245
Collections							
General Deposits		282,000	267,000	192,000	198,000		939,000
Medicaid Deposits		445,601	391,000	438,000	425,000		1,699,601
Medicare Deposits		-	-	-	412,000		412,000
Total Collections		727,601	658,000	630,000	1,035,000		3,050,601
Cash Available for Disbursements		743,846	757,764	618,971	833,957		2,954,540
Disbursements					Projected		
General Disbursements		102,500	153,000	101,000	82,000		438,500
Pharmacy		-	-	150,627	-		150,627
Net Payroll		348,000	325,000	325,000	325,000		1,323,000
Payroll Taxes		164,000	131,500	131,500	131,500		558,500
401(k) Funding		4,582	4,293	4,339	4,355		17,569
Other Employee Benefits		-	-	-	148,000		148,000
Worker's Compensation Premiums		-	-	-	63,495		63,495
Insurance Premiums		-	-	35,260	-		35,260
UST Fee		-	-	-	5,000		5,000
Receiver Fee		-	-	-	-		-
Bank Line Interest/Bank Fees		-	-	-	-		-
Utilities		25,000	-	67,396	-		92,396
Physicians		-	25,000	-	35,000		60,000
Loan/Lease		-	-	4,893	-		4,893
Real Estate Taxes		-	-	-	-		-
Professional/Receiver		-	-	-	-		-
Professional/Trustee		-	-	-	15,000		15,000
Professional/Committee		-	-	-	15,000		15,000
Prior Professional		-	-	-	-		-
Cash receipts assessment		-	130,000	-	-		130,000
Total Disbursements		644,082	768,793	820,014	824,351		3,057,240
Ending Cash Balance		99,764	(11,029)	(201,043)	9,607		(102,700)
Monthly Net Cash		83,519	(110,793)	(190,014)	210,649		(6,638)



**Moritt Hock
Hamroff & Horowitz** LLP
ATTORNEYS AT LAW

RECEIVED

APR 29 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

Leslie A. Berkoff, Esq.
Partner
Admitted in NY & CT
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RECEIVED

2009

APR 28, 2009
OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

HUSH

VIA OVERNIGHT MAIL

Susan Skinner
U.S. Bankruptcy Court
Northern District of New York
James T. Foley U.S. Courthouse
445 Broadway, Suite 315
Albany, NY 12207

**Re: Highgate LTC Management, LLC
Case No. 07-11068**

Dear Ms. Skinner:

Enclosed herewith please find an original executed Stipulation and Order Further Modifying and Extending the Terms of the Final Order Authorizing the Estate to: (A) Borrow Money and (B) Use Cash Collateral on a Consensual Basis and Certain Related Deadlines in connection with the above-referenced matter.

We would ask that you present the Stipulation to His Honor so that he may So Order the Stipulation and have the same docketed by a member of his staff.

If you have any questions, please do not hesitate to contact the undersigned. Thank you for your courtesies in this matter.

RECEIVED & FILED

APR 29 2009

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

Very truly yours,

LESLIE ANN BERKOFF

LAB:cn
Encl.

RECEIVED & FILED

JUN 24 2009

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

So ordered this 24 day of June 2009

20
Hon. Robert E. Littlefield, Jr.
Chief, U.S.B.J.

RECEIVED

JUN 24 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

-----X

Chapter 11

In re:

HIGHGATE LTC MANAGEMENT LLC,

Case No. 07-11068-REL

Debtor.

-----X

**STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE
DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; and (B) Use Cash Collateral on a Consensual Basis and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, Rensselaer County,

dated November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to four prior Stipulations and Order of this Court dated November 19, 2008, December 24, 2008, January 22, 2009, March 2, 2009, and April 29, 2009 the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (collectively, the "Prior Stipulations"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the continued right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulations; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read September 9, 2009.

2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for September 9, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: June 23, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

By: _____

Leslie A. Berkoff, Esq.
400 Garden City Plaza
Garden City, NY 11530
516-873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

By: _____

Mark I. Fishman, Esq.
195 Church Street
New Haven, CT 06510
Phone: (203) 821-2000

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for September 9, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: June 19, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital
Corporation

By: _____

Leslie A. Berkoff, Esq.
400 Garden City Plaza
Garden City, NY 11530
516-873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

By: _____

Mark I. Fishman, Esq.
195 Church Street
New Haven, CT 06510
Phone: (203) 821-2000

-and-

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:  _____

Ted A. Berkowitz, Esq.

1320 Reckson Plaza

Uniondale, New York 11556-1320

Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By: _____

Abraham J. Backenroth, Esq.

489 Fifth Avenue

New York, New York 10017

Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B)
USE CASH COLLATERAL ON A CONSensual BASIS AND CERTAIN RELATED DEADLINES

-and-

FARRELL FRITZ, P.C.

Attorneys for the Unsecured Creditors' Committee

By:

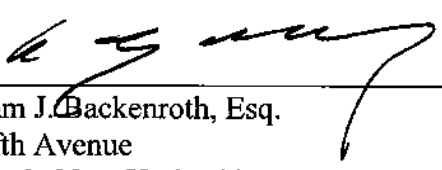
Ted A. Berkowitz, Esq.
1320 Reckson Plaza
Uniondale, New York 11556-1320
Tel: 516-227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP

Attorneys for the Substitute Receiver

By:



Abraham J. Backenroth, Esq.
489 Fifth Avenue
New York, New York 10017
Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND
EXTENDING THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B)
USE CASH COLLATERAL ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	Projected	Projected	July Totals
Projected Cash Flows		Balance	Balance	Balance	Balance	Balance	Balance	Balance	
w/e Friday		07/03/09	07/10/09	07/17/09	07/24/09	07/31/09			
Beginning Cash Book Balance		16,245	(33,868)	(170,410)	(202,002)	(35,752)			16,245
Collections									
General Deposits		301,000	284,000	272,000	223,000	215,000			1,295,000
Medicaid Deposits		229,969	412,751	500,000	400,000	400,000			1,942,720
Medicare Deposits		-	-	-	385,000	-			385,000
Total Collections		530,969	696,751	772,000	1,008,000	615,000			3,622,720
Cash Available for Disbursements		547,214	662,883	601,590	805,999	579,248			3,638,965
Disbursements					Projected				
General Disbursements		105,000	163,000	111,100	100,000	106,000			585,100
Pharmacy		-	-	145,000	-	-			145,000
Net Payroll		320,000	361,000	319,000	320,000	320,000			1,640,000
Payroll Taxes		126,500	150,000	126,000	126,500	126,500			655,500
401(k) Funding		4,582	4,293	4,339	4,355	-			17,569
Other Employee Benefits		-	-	-	148,000	-			148,000
Worker's Compensation Premiums		-	-	-	63,495	-			63,495
Insurance Premiums		-	-	35,260	-	-			35,260
UST Fee		-	-	-	10,400	-			10,400
Receiver Fee		-	-	-	-	-			-
Bank Line Interest/Bank Fees		-	-	-	4,000	-			4,000
Utilities		25,000	-	58,000	-	-			83,000
Physicians		-	25,000	-	35,000	-			60,000
Loan/Lease		-	-	4,893	-	-			4,893
NY Sales Taxes		-	-	-	-	-			-
Real Estate Taxes		-	-	-	-	-			-
Professional/Receiver		-	-	-	-	-			-
Professional/Trustee		-	-	-	15,000	-			15,000
Professional/Committee		-	-	-	15,000	-			15,000
Prior Professional		-	-	-	-	-			-
Cash receipts assessment		-	130,000	-	-	-			130,000
Total Disbursements		581,082	833,293	803,591	841,751	552,500			3,612,217
Ending Cash Balance		(33,868)	(170,410)	(202,002)	(35,752)	26,748			26,748
Monthly Net Cash		(50,113)	(136,542)	(31,591)	166,249	62,500			10,503

Highgate LTC Management LLC		Projected Balance	08/07/09	Projected Balance	08/14/09	Projected Balance	08/21/09	Projected Balance	08/28/09	Projected Balance	9/4/2009	Aug Totals
Projected Cash Flows		w/e Friday										
Beginning Cash Book Balance		26,748	(28,365)	(166,907)					(207,399)	(36,149)		26,748
Collections												
General Deposits		301,000	284,000	272,000					223,000	300,000		1,380,000
Medicaid Deposits		229,969	412,751	500,000					400,000	235,000		1,777,720
Medicare Deposits		-	-	-					390,000			390,000
Total Collections		530,969	696,751	772,000					1,013,000	535,000		3,547,720
Cash Available for Disbursements		557,717	668,386	605,093					805,602	498,851		3,574,468
Disbursements												
General Disbursements		110,000	163,000	130,000					100,000	105,000		608,000
Pharmacy		-	-	135,000					-			135,000
Net Payroll		320,000	361,000	319,000					320,000	320,000		1,640,000
Payroll Taxes		126,500	150,000	126,000					126,500	126,500		655,500
401(k) Funding		4,582	4,293	4,339					4,355	4,355		21,924
Other Employee Benefits		-	-	-					148,000			148,000
Worker's Compensation Premiums		-	-	-					63,495			63,495
Insurance Premiums		-	-	35,260					-			35,260
UST Fee		-	-	-					10,400			10,400
Receiver Fee		-	-	-					-			-
Bank Line Interest/Bank Fees		-	-	-					4,000			4,000
Utilities		25,000	-	58,000					-			83,000
Physicians		-	25,000	-					35,000			60,000
Loan/Lease		-	-	4,893					-			4,893
NY Sales Taxes		-	-	-					-			-
Real Estate Taxes		-	-	-					-			-
Professional/Receiver		-	-	-					-			-

Professional/Trustee	-	-	-	15,000	15,000
Professional/Committee	-	-	-	15,000	15,000
Prior Professional	-	-	-	-	-
Cash receipts assessment	-	132,000	-	-	132,000
Total Disbursements	586,082	835,293	812,491	841,751	555,855
					3,631,472
Ending Cash Balance	(28,365)	(166,907)	(207,399)	(36,149)	(57,004)
Monthly Net Cash	(55,113)	(138,542)	(40,491)	171,249	(83,752)



**Moritt Hock
Hamroff & Horowitz** LLP
ATTORNEYS AT LAW

RECEIVED

JUN 24 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY

Leslie A. Berkoff, Esq.
Partner
Admitted in NY & CT
Email: lberkoff@morithock.com

June 23, 2009

VIA FEDERAL EXPRESS

Susan Skinner
U.S. Bankruptcy Court
Northern District of New York
James T. Foley U.S. Courthouse
445 Broadway, Suite 315
Albany, NY 12207

Re: Highgate LTC Management, LLC
Case No. 07-11068
Hearing Date: July 1, 2009

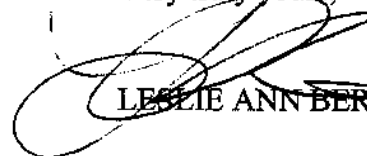
Dear Ms. Skinner:

Enclosed herewith please find an original executed Stipulation and Order Further Modifying and Extending the Terms of the Final Order Authorizing the Estate to: (A) Borrow Money and (B) Use Cash Collateral on a Consensual Basis and Certain Related Deadlines in connection with the above-referenced matter.

We would ask that you present the Stipulation to His Honor so that he may So Order the Stipulation and have the same docketed by a member of his staff.

If you have any questions, please do not hesitate to contact the undersigned. Thank you for your courtesies in this matter.

Very truly yours,



LESLIE ANN BERKOFF

LAB:cn
Encl.

So ordered this 8th day of September 2009

RECEIVED

SEP 4 - 2009

OFFICE OF THE BANKRUPTCY JUDGE
ALBANY, NY


Hon. Robert E. Littlefield, Jr.
Chief, U.S.B.J.

RECEIVED & FILED

SEP 8 2009

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

-----X
In re:

Chapter 11

HIGHGATE LTC MANAGEMENT, LLC *et al.*

Case No. 07-11068-REL

Debtors.
-----X

CLERK OF THE
BANKRUPTCY COURT
NORTHERN DISTRICT OF
NEW YORK
ALBANY

2009 SEP -4 AM 9:48

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**STIPULATION AND ORDER MODIFYING AND EXTENDING
THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS
TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; (B) Use Cash Collateral on a Consensual Basis; and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, Rensselaer County, dated

November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to six prior Stipulations and Order of this Court dated November 19, 2008, December 24, 2008, January 22, 2009, March 2, 2009, April 29, 2009 and June 24, 2009 the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (collectively, the "Prior Stipulations"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the continued right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulations; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read November 30, 2009.

2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for November 18, 2009 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: Garden City, New York
September 1, 2009

MORITT HOCK HAMROFF & HOROWITZ LLP
Attorneys for General Electric Capital Corporation

By: /s/ Leslie A. Berkoff

Leslie A. Berkoff, Esq.

400 Garden City Plaza
Garden City, NY 11530
(516) 873-2000

-and-

NEUBERT, PEPE & MONTEITH, P.C.
Attorneys for the Chapter 11 Trustee

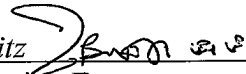
By: /s/ Mark I Fishman

Mark I. Fishman, Esq.

195 Church Street
New Haven, CT 06510
(203) 821-2000

-and-

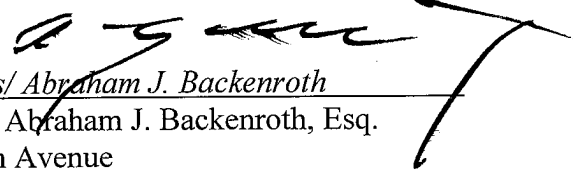
FARRELL FRITZ, P.C.
Attorneys for the Unsecured Creditors' Committee

By: /s/ Ted A. Berkowitz 
Ted A. Berkowitz, Esq.

1320 Reckson Plaza
Uniondale, NY 11556-1320
(516) 227-0647

-and-

BACKENROTH, FRANKEL & KRINSKY, LLP
Attorneys for the Substitute Receiver

By: /s/ Abraham J. Backenroth 
Abraham J. Backenroth, Esq.
489 Fifth Avenue
New York, NY 10017
Tel: 212-593-1100

STIPULATION AND ORDER MODIFYING AND EXTENDING THE TERMS OF THE FINAL ORDER
AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL
ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

RECEIVED & FILED

SEP 8 2009

OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

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EXHIBIT A

Highgate LTC Management LLC					Projected Balance 09/04/09	Projected Balance 09/11/09	Projected Balance 09/18/09	Projected Balance 09/25/09	August Totals
Projected Cash Flows									
w/e Friday									
Beginning Cash Book Balance					10,205	411,494	260,469	32,452	10,205
Collections									
General Deposits					195,000	178,000	152,000	126,000	651,000
Medicaid Deposits					785,871	405,268	501,496	365,029	2,057,664
Medicare Deposits					-	-	-	310,000	310,000
Total Collections					980,871	583,268	653,496	801,029	3,018,664
Cash Available for Disbursements					991,076	994,762	913,966	833,480	3,733,284
Disbursements								Projected	
General Disbursements					110,000	160,000	110,000	100,000	480,000
Pharmacy					-	-	150,627	-	150,627
Net Payroll					318,000	318,000	360,000	318,000	1,314,000
Payroll Taxes					122,000	122,000	149,000	122,000	515,000
401(k) Funding					4,582	4,293	4,339	4,355	17,569
Other Employee Benefits					-	-	-	148,000	148,000
Worker's Compensation Premiums					-	-	-	63,495	63,495
Insurance Premiums					-	-	35,260	-	35,260
UST Fee					-	-	-	10,400	10,400
Receiver Fee					-	-	-	-	-
Bank Line Interest/Bank Fees					-	-	-	-	-
Utilities					25,000	-	67,396	-	92,396
Physicians					-	25,000	-	35,000	60,000
Loan/Lease					-	-	4,893	-	4,893
NY Sales Taxes					-	-	-	-	-
Real Estate Taxes					-	-	-	-	-
Professional/Receiver					-	-	-	-	-
Professional/Trustee					-	-	-	15,000	15,000
Professional/Committee					-	-	-	15,000	15,000
Ombudsman					-	-	-	-	-
Cash receipts assessment					-	105,000	-	-	105,000
Total Disbursements					579,582	734,293	881,514	846,251	3,041,640
Ending Cash Balance					411,494	260,469	32,452	(12,770)	691,644
Monthly Net Cash					401,289	(151,025)	(228,018)	(45,222)	(22,975)

Highgate LTC Management LLC		Projected	Projected	Projected	Projected	Projected	October Totals
Projected Cash Flows		Balance	Balance	Balance	Balance	Balance	
	w/e Friday	10/02/09	10/09/09	10/16/09	10/23/09	10/30/09	
Beginning Cash Book Balance		1,425	(98,157)	(56,450)	(134,941)	78,808	1,425
Collections							
General Deposits		215,000	281,000	246,000	238,000	147,000	1,127,000
Medicaid Deposits		265,000	505,000	485,000	481,000	262,000	1,998,000
Medicare Deposits		-	-	-	311,000		311,000
Total Collections		480,000	786,000	731,000	1,030,000	409,000	3,436,000
Cash Available for Disbursements		481,425	687,843	674,550	895,059	487,808	3,226,685
Disbursements					Projected		
General Disbursements		110,000	150,000	105,000	85,000	80,000	530,000
Pharmacy		-	-	145,000	-	-	145,000
Net Payroll		318,000	318,000	318,000	318,000	318,000	1,590,000
Payroll Taxes		122,000	122,000	122,000	122,000	122,000	610,000
401(k) Funding		4,582	4,293	4,339	4,355	-	17,569
Other Employee Benefits		-	-	-	148,000		148,000
Worker's Compensation Premiums		-	-	-	63,495		63,495
Insurance Premiums		-	-	35,260	-		35,260
UST Fee		-	-	-	10,400		10,400
Receiver Fee		-	-	-	-		-
Bank Line Interest/Bank Fees		-	-	-	-		-
Utilities		25,000	-	75,000	-		100,000
Physicians		-	25,000	-	35,000		60,000
Loan/Lease		-	-	4,893	-		4,893
NY Sales Taxes		-	-	-	-		-
Real Estate Taxes		-	-	-	-		-
Professional/Receiver		-	-	-	-		-

Professional/Trustee	-	-	-	15,000	15,000
Professional/Committee	-	-	-	15,000	15,000
Prior Professional	-	-	-	-	-
Cash receipts assessment	-	125,000	-	-	125,000
Total Disbursements	579,582	744,293	809,491	816,251	520,000
Ending Cash Balance	(98,157)	(56,450)	(134,941)	78,808	(242,932)
Monthly Net Cash	(99,582)	41,707	(78,491)	213,749	(33,617)

Highgate LTC Management LLC					November Totals
Projected Cash Flows					
	Projected Balance 11/06/09	Projected Balance 11/13/09	Projected Balance 11/20/09	Projected Balance 11/27/09	
w/e Friday					
Beginning Cash Book Balance	3,360	47,778	1,485	(151,006)	3,360
Collections					
General Deposits	219,000	198,000	164,000	156,000	737,000
Medicaid Deposits	410,000	500,000	485,000	475,000	1,870,000
Medicare Deposits	-	-	-	325,000	325,000
Total Collections	629,000	698,000	649,000	956,000	2,932,000
Cash Available for Disbursements					2,833,617
Disbursements					Projected
General Disbursements	115,000	155,000	107,000	85,000	462,000
Pharmacy	-	-	145,000	-	145,000
Net Payroll	318,000	318,000	318,000	318,000	1,272,000
Payroll Taxes	122,000	122,000	122,000	122,000	488,000
401(k) Funding	4,582	4,293	4,339	4,355	17,569
Other Employee Benefits	-	-	-	148,000	148,000
Worker's Compensation Premiums	-	-	-	63,495	63,495
Insurance Premiums	-	-	35,260	-	35,260
UST Fee	-	-	-	10,400	10,400
Receiver Fee	-	-	-	-	-
Bank Line Interest/Bank Fees	-	-	-	-	-
Utilities	25,000	-	65,000	-	90,000
Physicians	-	25,000	-	35,000	60,000
Loan/Lease	-	-	4,893	-	4,893
NY Sales Taxes	-	-	-	-	-
Real Estate Taxes	-	-	-	-	-
Professional/Receiver	-	-	-	-	-

Professional/Trustee	-	-	-	15,000	15,000
Professional/Committee	-	-	-	15,000	15,000
Prior Professional	-	-	-	-	-
Cash receipts assessment	-	120,000	-	-	120,000
Total Disbursements	584,582	744,293	801,491	816,251	2,946,617
Ending Cash Balance	47,778	1,485	(151,006)	(11,257)	(113,000)
Monthly Net Cash	44,418	(46,293)	(152,491)	139,749	(14,617)

RECEIVED & FILED

RECEIVED

NOV 18 2009

So ordered this 18th day of November 2009

NOV 18 2009

OFFICE OF THE BANKRUPTCY CLERK
OFFICE OF THE BANKRUPTCY JUDGE ALBANY, NY

Hon. Robert E. Littlefield, Jr.
Chief, U.S.B.J.

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

-----X

Chapter 11

In re:

Case No. 07-11068-REL

HIGHGATE LTC MANAGEMENT, LLC *et al.*

Debtors.

-----X

**STIPULATION AND ORDER MODIFYING AND EXTENDING
THE TERMS OF THE FINAL ORDER AUTHORIZING THE DEBTORS
TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL ON
A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES**

WHEREAS, on May 14, 2007 this Court entered a Final Order Authorizing the Debtors to: (A) Borrow Money Pursuant to Sections 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), and 364(e) of the Bankruptcy Code; (B) Use Cash Collateral on a Consensual Basis; and (C) Granting Adequate Protection And Related Relief Pursuant to Sections 105, 361, and 363 of the Bankruptcy Code (the "Final Order"); and

WHEREAS, the Final Order also authorized Long Hill Alliance Company (the "Receiver"), to borrow money on behalf of the Debtors and use Cash Collateral, as more fully defined and described in the Final Order; and

WHEREAS, pursuant to the terms of the Order Appointing Substitute Receiver, signed by Justice Hummel of the Supreme Court of the State of New York, Rensselaer County, dated

November 3, 2008 (the "Order Appointing Substitute Receiver", the Receiver has been replaced by EF Consulting, LLC (the "Substitute Receiver") effective as of the date of said Order; and

WHEREAS, pursuant to six prior Stipulations and Order of this Court dated November 19, 2008, December 24, 2008, January 22, 2009, March 2, 2009, April 29, 2009, June 24, 2009 and September 9, 2009, the Substitute Receiver was authorized to utilize the Cash Collateral of the Debtors and seek approval of a Budget which would be implemented pursuant to the terms of the Final Order, as amended (collectively, the "Prior Stipulations"); and

WHEREAS, GECC is willing to allow the Substitute Receiver the continued right to use Cash Collateral on the terms and conditions set forth in the Final Order, except as other modified herein or in the Substitute Receiver Order or in the Prior Stipulations; it is now

NOW THEREFORE,

IT IS HEREBY STIPULATED AND AGREED, by the parties hereto, through their undersigned counsel as follows:

1. The Termination Date for the right to utilize Cash Collateral as used in the Final Order hereby is modified to read January 13, 2010.
2. The defined term Receiver as utilized in the Final Order shall as of the date hereof, shall apply to the term Substitute Receiver in all places, except, so that it is clear, the Substitute Receiver has no right to borrow funds under the Shortfall Agreement, the same having been terminated upon entry of the Substitute Receiver Order and thus all references to the right to borrow funds, or utilize the Shortfall Agreement are of no force and effect as relates to the Substitute Receiver. All priorities, liens, rights and remedies, including the DIP Liens, Super-priority Claims and Replacement Liens in the Final Order shall remain unmodified.

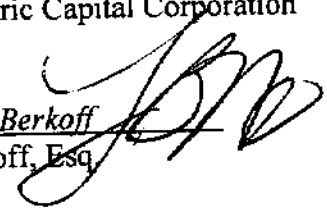
3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for January 13, 2010 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: Garden City, New York
November_, 2009

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Attorneys for General Electric Capital Corporation

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-and-

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Attorneys for the Chapter 11 Trustee

By: /s/ Mark I Fishman

Mark I. Fishman, Esq.

195 Church Street
New Haven, CT 06510
(203) 821-2000

-and-

3. The Budget attached as *Exhibit C* to the Final Order is hereby replaced by the Budget attached hereto as *Exhibit A*. The Budget may be amended at the request of the Substitute Receiver, upon the written consent of GECC, on notice to the US Trustee, the Trustee and the Unsecured Creditors Committee.

4. All of the other terms and conditions of the Final Order (as modified or extended pursuant to Stipulations entered into after the date of the Final Order) and the agreements referred to therein remain in full force and effect. Capitalized terms not defined herein shall have the meaning given to them in the Final Order.

5. A hearing shall be scheduled for January 13, 2010 at 11:00 a.m. consistent with paragraph 1 hereof.

Dated: Garden City, New York
November_, 2009

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STIPULATION AND ORDER MODIFYING AND EXTENDING THE TERMS OF THE FINAL ORDER
AUTHORIZING THE DEBTORS TO: (A) BORROW MONEY AND (B) USE CASH COLLATERAL
ON A CONSENSUAL BASIS AND CERTAIN RELATED DEADLINES

Highgate LTC Management LLC	Projected	Projected	Projected	Projected
Projected Cash Flows	Balance	Balance	Balance	Balance
w/e Friday	12/04/09	12/11/09	12/18/09	12/25/09
Beginning Cash Book Balance	(49,546)	(29,128)	96,579	(47,539)
Collections				
General Deposits	190,000	190,000	190,000	190,000
Medicaid Deposits	425,000	530,000	511,000	500,000
Medicare Deposits				400,000
Total Collections	615,000	720,000	701,000	1,090,000
Cash Available for Disbursements	565,454	690,872	797,579	1,042,461
Disbursements				Projected
General Disbursements	125,000	125,000	135,000	115,000
Pharmacy	-	-	150,627	80,000
Net Payroll	318,000	318,000	318,000	318,000
Payroll Taxes	122,000	122,000	122,000	122,000
401(k) Funding	4,582	4,293	4,339	4,355
Other Employee Benefits	-	-	-	148,000
Worker's Compensation Premiums	-	-	-	63,495
Insurance Premiums	-	-	35,260	-
UST Fee	-	-	-	10,400
Receiver Fee	-	-	-	-
Bank Line Interest/Bank Fees	-	-	-	-
Utilities	25,000	-	75,000	-
Physicians	-	25,000	-	35,000
Loan/Lease	-	-	4,893	-
NY Sales Taxes	-	-	-	-
Real Estate Taxes	-	-	-	-
Professional/Receiver	-	-	-	-
Professional/Trustee	-	-	-	15,000
Professional/Committee	-	-	-	15,000
Prior Professional	-	-	-	-
Cash receipts assessment				140,000
Total Disbursements	594,582	594,293	845,118	1,066,251
Ending Cash Balance	(29,128)	96,579	(47,539)	(23,790)
Monthly Net Cash	20,418	125,707	(144,118)	23,749

December
Totals

- (49,546)

760,000

1,966,000

400,000

- 3,126,000

- 3,076,454

- 500,000

- 230,627

1,272,000

- 488,000

- 17,569

148,000

63,495

35,260

10,400

-

-

100,000

60,000

4,893

-

-

-

15,000

15,000

-

140,000

- 3,100,244

- (23,790)

- 25,756

Highgate LTC Management LLC Projected Cash Flows w/e Friday	Projected Balar 01/01/10	Projected Balar 01/08/10	Projected Balar 01/15/10	Projected Balar 01/22/10
Beginning Cash Book Balance	(13,790)	(59,372)	45,335	(34,156)
Collections				
General Deposits	190,000	190,000	190,000	190,000
Medicaid Deposits	375,000	500,000	525,000	485,000
Medicare Deposits				425,000
Total Collections	565,000	690,000	715,000	1,100,000
Cash Available for Disbursements	551,210	630,628	760,335	1,065,844
Disbursements				Projected
General Disbursements	110,000	85,000	75,000	65,000
Pharmacy	-	-	150,000	
Net Payroll	340,000	340,000	318,000	318,000
Payroll Taxes	131,000	131,000	122,000	122,000
401(k) Funding	4,582	4,293	4,339	4,355
Other Employee Benefits	-	-	-	148,000
Worker's Compensation Premiums	-	-	-	63,495
Insurance Premiums	-	-	35,260	-
UST Fee	-	-	-	10,400
Receiver Fee	-	-	-	-
Bank Line Interest/Bank Fees	-	-	-	-
Utilities	25,000	-	85,000	-
Physicians	-	25,000	-	35,000
Loan/Lease	-	-	4,893	-
NY Sales Taxes	-	-	-	-
Real Estate Taxes	-	-	-	-
Professional/Receiver	-	-	-	-
Professional/Trustee	-	-	-	15,000
Professional/Committee	-	-	-	5,000
Prior Professional	-	-	-	-
Cash receipts assessment				143,000
Total Disbursements	610,582	585,293	794,491	929,251
Ending Cash Balance	(59,372)	45,335	(34,156)	136,593
Monthly Net Cash	(45,582)	104,707	(79,491)	170,749

ice January Totals

01/29/10

136,593 (13,790)

80,000 840,000

350,000 2,235,000

425,000

430,000 3,500,000

566,593 3,486,210

85,000 420,000

100,000 250,000

318,000 1,634,000

122,000 628,000

4,300 21,869

148,000

63,495

35,260

10,400

-

-

110,000

60,000

4,893

-

-

-

15,000

5,000

-

143,000

629,300 3,548,917

(62,707) (62,707)

(199,300) (48,917)